

INDIANA DEPARTMENT OF INSURANCE

NEWS RELEASE

FOR RELEASE

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Department of Insurance Works with Providers to Lower Medical Malpractice Insurance Rates

INDIANAPOLIS – In a cooperative effort between the Indiana’s two largest malpractice insurance carriers and the staff of the Indiana Department of Insurance, medical malpractice insurance rates are decreasing an average of 8%, saving physicians and hospitals an estimated \$4.4 million in premiums.

Stephen W. Robertson, Commissioner of the Indiana Department of Insurance (DOI), explained that DOI staff had been monitoring malpractice rate reductions in other states over the past year. The staff reached out separately to the two largest malpractice insurance carriers in the State of Indiana (ProAssurance Indemnity Company, Inc. and The Medical Protective Company). After several months of cooperative research and discussion, the providers calculated the 8% overall rate reduction. The major factor impacting the rate reductions was improved claims experience.

Robertson added, “I am pleased that our cooperative work with the insurance industry resulted in these rate reductions for over 7,000 physicians and other medical service providers in Indiana. Because we know that malpractice insurance premiums are a significant expense to the medical industry and contribute to the overall cost of medical care, we will continue to monitor these rates and work with the insurance industry to keep them as reasonable as possible.”

Not all types of health care providers will see the same reductions, however, and certain allied health providers such as surgical assistants and podiatrist may see premiums increase. Another positive development is that one carrier is eliminating a system that caused providers in Lake and Porter counties to pay significantly more than similar professionals in other parts of the state.

“We appreciate the efforts of Commissioner Robertson to help physicians in these difficult times,” commented Indiana State Medical Association (ISMA) President Gordon Hughes, M.D. “Obviously, our commissioner has the wisdom to understand that patients in Indiana will be the ultimate beneficiaries of this reduction.” The ISMA has approximately 8,000 members from all areas of the state.

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